(e) whether the price of oil shall be reduced, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) Yes, Sir.

(b) The refinery has been set up at Tatipaka in East Godawari district of Andhra Pradesh.

(c) The refinery is designed to produce approximately 97 tonnes per day (TPD) of Naptha, 46 TPD of High Speed Diesel, 75 (TPD) of Superior Kerosene Oil and 32 TPD of reduced crude oil.

(d) About Rs. 3 crore per annum.

(e) No, Sir.

Hidden cost in Sakhalin Project

3954. SHRI MOOLCHAND MEENA:

SHRI SURESH PACHOURI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether ONGC has taken up an oil exploration project at Sakhalin in Russia:

(b) whether Government have worked out the evacuation cost of oil and gas from Russia;

(c) if so. the detai Is thereof;

(d) whether Government have taken note of the hidden cost involved in evacuation of oil and gas from Sakhalin;

(e) if so, the magnitude of such cost; and

(f) whether the projects is still viable considering this hidden cost ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) On 10-02-2001, ONGC-Videsh Ltd. (O VL), a wholly owned subsidiary of Oil & Natural Gas Corporation Ltd. (ONGC) signed an agreement with Rosneft, the national oil company of Russian Federation, for acquiring 20% participating interest of the Russian company in the Sakhalin-I Offshore Project.

(b) and (c) The cost of the evacuation of crude oil from the Sakhalin Island through existing terminal at Dekastry after necessary modifications and revamping of the facilities, as well as the cost of evacuation of gas from the northern part of Sakhalin Island upto the sales point of the Island through pipeline, have been taken into account in the total cost of the project.

(d) to (0 Do not arise.

Recovery of aviation fuel dues from Modiluft

3955. SHRI K. RAMA MOHANARAO : Will the Minister ofPETROLEUM AND NATURAL GAS be pleased to state :

(a) whether it i s a fact that BPCL has suffered a loss, to the tune of more than Rs. 8 crores because of sale of aviation fuel to Modiluft;

(b) if so. what is the break up of amount to be recovered from Modiluft, year-wise;

(c) the reasons for not recovering the amount from Modiluft; and

(d) what steps are being taken or proposed to be taken to recover the amount ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR) : (a) and (b) The dues outstanding against fuel bills from Modiluft was Rs. 784.43 lakhs, when the Airline suspended the operations in November, 1996. Out of the outstanding amount of Rs. 7.84 crores, the Airline has paid an amount of Rs. 2.5 crores during the month of April, 2001. Consequently, the outstanding has come down to Rs. 5.34 crores. The Airline also has submitted a scheme of settlement for clearing the remaining outstanding amount. Modiluft shall pay Rs. 2.67 crores, against the principal amount due to BPCL immediately on acceptance of proposal and signing of the settlement and the balance of Rs. 2.67 crores shall be paid in six equal bi-monthly instalments. Modiluft has also agreed to pay an amount of Rs. 2.93 crores towards interest and costs in the following manner:

(1) Rs. 1.50 crores within 7 days of signing the settlement with BPCL $_f$ and

(2) The balance interest shall be paid in 6 equal bi-monthly instalments starting with repayment of the principal instalments.